

**Notice of Allowability**

Application No.

09/706,678

Applicant(s)

HUGHES, WEBSTER

Examiner

JAGDISH PATEL

Art Unit

3693

**-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address--**

All claims being allowable, PROSECUTION ON THE MERITS IS (OR REMAINS) CLOSED in this application. If not included herewith (or previously mailed), a Notice of Allowance (PTOL-85) or other appropriate communication will be mailed in due course. **THIS NOTICE OF ALLOWABILITY IS NOT A GRANT OF PATENT RIGHTS.** This application is subject to withdrawal from issue at the initiative of the Office or upon petition by the applicant. See 37 CFR 1.313 and MPEP 1308.

1. ☒ This communication is responsive to amendment filed 10/2/06.
2. ☒ The allowed claim(s) is/are 18-24, 29-33 and 46-48.
3. ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some\* c) ☐ None of the:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this national stage application from the International Bureau (PCT Rule 17.2(a)).

\* Certified copies not received: \_\_\_\_\_.

Applicant has THREE MONTHS FROM THE "MAILING DATE" of this communication to file a reply complying with the requirements noted below. Failure to timely comply will result in ABANDONMENT of this application.

**THIS THREE-MONTH PERIOD IS NOT EXTENDABLE.**

4. ☐ A SUBSTITUTE OATH OR DECLARATION must be submitted. Note the attached EXAMINER'S AMENDMENT or NOTICE OF INFORMAL PATENT APPLICATION (PTO-152) which gives reason(s) why the oath or declaration is deficient.
5. ☒ CORRECTED DRAWINGS (as "replacement sheets") must be submitted.
- (a) ☐ including changes required by the Notice of Draftsperson's Patent Drawing Review (PTO-948) attached
- 1) ☐ hereto or 2) ☐ to Paper No./Mail Date \_\_\_\_\_.
- (b) ☒ including changes required by the attached Examiner's Amendment / Comment or in the Office action of Paper No./Mail Date \_\_\_\_\_.
- Identifying indicia such as the application number (see 37 CFR 1.84(c)) should be written on the drawings in the front (not the back) of each sheet. Replacement sheet(s) should be labeled as such in the header according to 37 CFR 1.121(d).
6. ☐ DEPOSIT OF and/or INFORMATION about the deposit of BIOLOGICAL MATERIAL must be submitted. Note the attached Examiner's comment regarding REQUIREMENT FOR THE DEPOSIT OF BIOLOGICAL MATERIAL.

**Attachment(s)**

1. ☒ Notice of References Cited (PTO-892)
2. ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3. ☐ Information Disclosure Statements (PTO/SB/08),  
Paper No./Mail Date \_\_\_\_\_
4. ☐ Examiner's Comment Regarding Requirement for Deposit  
of Biological Material
5. ☐ Notice of Informal Patent Application
6. ☐ Interview Summary (PTO-413),  
Paper No./Mail Date \_\_\_\_\_
7. ☒ Examiner's Amendment/Comment
8. ☒ Examiner's Statement of Reasons for Allowance
9. ☐ Other \_\_\_\_\_

### DETAILED ACTION

1. This communication is in response to amendment filed 10/2/06.

#### *Response to Amendment*

2. Independent claim 18 has been amended. Claims 18-25, 29-33 and 46-48 remain pending.
3. Claims 18-25, 29-33 and 46-48 have been allowed.

### EXAMINER'S AMENDMENT

4. An examiner's amendment to the record appears below. Should the changes and/or additions be unacceptable to applicant, an amendment may be filed as provided by 37 CFR 1.312. To ensure consideration of such an amendment, it MUST be submitted no later than the payment of the issue fee.

Authorization for this examiner's amendment was given in a telephone interview with Matthew B. Dernier Registration No.: 40,989 on 2/15/07.

Please amend claim 18 as follows:

Claim 18. A method, comprising:

receiving a first order from a first ordering party at a computerized system, the first order including at least one bid or offer relating to financial instrument to permit execution of a serial chain of transactions pertaining to the financial instrument in the computerized system, based on the first order;

receiving one or more intermediate orders, including at least one offer or bid relating to

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said financial instrument, from at least one of a plurality of intermediate parties using the computerized system,

at least one of the intermediate orders being placed by the at least one intermediate party in response to the first order;

receiving a second order, including at least one offer or bid relating to said financial instrument, from a second ordering party using the computerized system, the second order being placed by the second ordering party in response to one or more of the intermediate orders;  
.s-m4

identifying the serial chain of transactions using the first order, at least one received intermediate order, and the second order;

executing the at least one transaction within the serial chain of transactions, where the serial chain of transactions comprises a transfer of said financial instrument between the first ordering party and a first intermediate party, and a transfer of said financial instrument between the second ordering party and a last intermediate party and where the first intermediate party and the last intermediate party are different parties or the same party.

Please cancel claim 25.

### ***Drawings***

5. New corrected drawings in compliance with 37 CFR 1.121(d) are required in this application because the current drawings the following defects.

Figures 4, 15 and 16: No margins

Figures 9-18: Content not legible

The corrected drawings are required in reply to the Office action to avoid abandonment of the application. The requirement for corrected drawings will not be held in abeyance.

***Reasons for Allowance***

6. The following is an examiner's statement of reasons for allowance:

The claimed inventions pertain to facilitating execution of a financial transaction between a first party and a second party through one or more of a plurality of intermediaries. The transaction pertains to a first order received first ordering party and includes at least one bid or offer relating to a financial instrument such as a bond to permit execution of a serial chain of transactions.

The examiner in consideration of the allowance notes that the process of trading of financial instrument is distinct from that of physical goods or items (such as collectibles, furniture, electric and electronic appliances etc.). A financial instrument is a real or virtual document representing a legal agreement involving some sort of monetary value. Trading of the financial instrument requires different mechanism involving regulatory requirements not present in trading process of physical goods or items.

The following prior art reference have been deemed most relevant to the allowed claim(s):

Rackson et al. (US PG Pub.20020165817) teaches a method of placing an item for auction that has access to and is visible through more than one auction service (intermediate parties) at the same time where the bids received by any of the auction services affect and are coordinated with each other, such that each service receives and reflects the highest price for that item received by any of the participating auction services. Rackson does not concern trading of financial instrument.

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Gebb (US Pat. 6067532) teaches a method for redistributing, purchasing or selling tickets on the secondary market. A mechanism is provided for accepting tickets from individual sellers, the tickets are posted on a central database for redistribution thereby establishing a market price based on demand and/or a service fee and subsequently the tickets are redistributed to new buyers. The seller does not submit an order for the ticket which include a bid or offer and the method disclosed by Gebb is specifically applicable for posting and distributing tickets to plurality of buyers. Gebb does not provide for communicating orders of financial instruments as recited in the present claims.

Lawrence (US Pat. 5915209) teaches bond trading system, which involves brokering municipal bonds. A bond trading exchange is provided whereby traders communicates orders for bonds trading via the bond trading system. A selling trader transmits job lots of bonds to the bond trading system who functions as a market-maker. The bond trading system, after circulating the wanteds of the job lots, receives bids from a plurality of buyers and subsequently transmits the bids to the seller. If the selling trader accepts the bid, the broker at the trading system completes the execution of the trade of the job lot. Lawrence, however, does not teach or suggest that the broker submits an order for the job lot in response to the bids received from the buyers.

The prior art of record described above and deemed closest references fail to teach a method of trading financial instruments in which (i) a first party and a one of a plurality of intermediate parties and a second party interact to communicate orders relating to a financial instrument (see definition for context) such that one or more orders for the financial instrument from the one the plurality of intermediate parties is received in response to an order for the financial instrument received from the first party and an order for the financial instrument from the second party is received in response to the one or more orders for the financial instrument received from the one the plurality of intermediate parties and (ii) a serial chain of transactions is identified using the first order, the one or more intermediate orders and the second orders and subsequent to identification of the serial chain of transactions at least of the transactions within the serial chain of the transactions is executed.

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Additionally, the prior art of record described above and deemed closest references also fail to teach or suggest a method of trading financial instruments including identifying a serial chain of transactions using the first order from a first ordering party, the at least one inter

Any comments considered necessary by applicant must be submitted no later than the payment of the issue fee and, to avoid processing delays, should preferably accompany the issue fee. Such submissions should be clearly labeled "Comments on Statement of Reasons for Allowance."

#### *Conclusion*

Any inquiry concerning this communication or earlier communications from the examiner should be directed to JAGDISH PATEL whose telephone number is (571) 272-6748. The examiner can normally be reached on 800AM-630PM Mon-Tue and Thu

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, **KRAMER JAMES A** can be reached on **(571)272-6783**. The fax phone number for the organization where this application or proceeding is assigned is 517-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



Jagdish N. Patel

(Primary Examiner, AU 3693)

2/15/07